

Table 2

MODEL WITH PERCEIVED PRICES

<u>VARIABLE</u>	<u>UNIT</u>	<u>MEAN</u> <u>VALUE</u>	<u>COEFFICIENT</u>	<u>t-Statistic</u>
Intercept			- .1205	- .25
DEMP	Indicator	.2253	.5912	2.11
DMV18	Indicator	.5858	- .6637	- 2.75
DOWN	Indicator	.1330	1.3470	2.83
DHISP	Indicator	.3369	- .6464	- 2.83
D065	Indicator	.1502	2.0599	3.93
DNOMR	Indicator	.7854	.8567	2.85
HHSZ	Number	3.0515	.2006	2.55
PERDEP	Dollars	74.07	- .0039	- 2.25

Number of Observations 466

Cases Correct 334 (71.7%)

Table 3

**MODEL WITH GAP BETWEEN PERCEIVED PRICES AND
ABILITY TO PAY**

<u>VARIABLE</u>	<u>UNIT</u>	<u>MEAN VALUE</u>	<u>COEFFICIENT</u>	<u>t-Statistic</u>
Intercept			- .0822	- .18
DEMP	Indicator	.2253	.5789	2.06
DMV18	Indicator	.5858	- .7071	- 2.91
DOWN	Indicator	.1330	1.3036	2.74
DHISP	Indicator	.3369	- .7018	- 3.03
D065	Indicator	.1502	1.9835	3.82
DNOMR	Indicator	.7854	.8619	2.86
HHSZ	Number	3.0515	.2021	2.57
GAPDEP	Dollar	55.47	- .0036	- 2.10
GAPMON	Dollar	4.32	- .0160	- 1.69

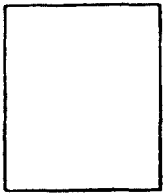
Number of Observations = 466

Cases Correct 328 (70.4%)

APPENDIX A

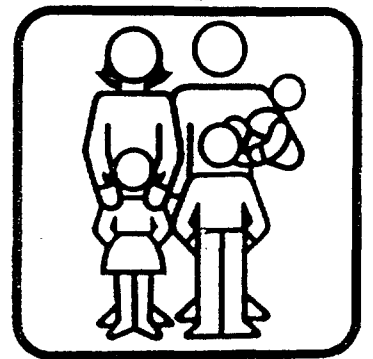
PHONE STUDY VARIABLES

DMV18	Tenure at current address less than 18 months
INCOME	Household's gross cash income
DIND	Head of household: American Indian
DHISP	Head of household: Hispanic
DASIAN	Head of household: Asian
DOWN	Household owns home
DEMP	Head of household currently employed
DO65	Member of household over 65
DLHS	Head of household less than high school grad
HHSZ	Number of people in household
DNOMR	Separated, divorced, widowed, never married
PERDEP	Perceived deposit payment
GAPDEP	Perceived deposit minus ability to pay
GAPMON	Perceived monthly service cost minus ability to pay



Colorado Public Utilities Commission
Department of Regulatory Agencies
1580 Logan Street, OL2
Denver, CO 80203

YOUR RIGHTS AS A TELEPHONE COMPANY CUSTOMER



PROVIDING YOUR SERVICE

PUC rules require telephone companies to provide new customers with local telephone service within a specific period of time. Generally, the company has five days to provide service where there are existing facilities, and 90 days where facilities aren't available. In cases where facilities aren't available, the company must attempt to offer an alternative form of service until local exchange service is provided. If service is not provided within the required time frame, and no alternative is provided, customers are entitled to credits and a waiver of installation charges (Rule 24)

You must be given a monthly bill for service. That bill must show: (1) charges for regulated and unregulated services; (2) an itemized listing and charges for long-distance calls; (3) total amount due; (4) the date when payment must be received by the company before it is considered overdue; and, (5) all other facts upon which the bill is based, such as transfers from previous addresses, etc. (Rule 10)

(For a more detailed explanation about your telephone bill, contact your local telephone company. Or, contact the PUC to request our publication entitled, "Understanding Your Telephone Bill")

If you disagree with the charges shown on your bill, you should contact your telephone company for an explanation of the charges.

If you are disputing a bill amount, your telephone company may require that you pay the undisputed portion of the bill to avoid a shut off of service because of non-payment.

If you have been charged too much, you can get either a credit on future bills or an immediate refund if the overcharged amount is greater than two months of basic local service. If you have been charged too little, you can pay the difference over several months if the amount you owe is greater than two months of basic local service. You will be given the same number of months to pay as the time period in which the billing error occurred. (Rule 10)

Each time your telephone service is out of order for more than 8 hours during a continuous 24 hour period, your local telephone company must reduce by 1/30th the amount due for your basic local service. If your telephone service is out of order, you should report it to your local telephone company immediately. Then, if you do not see a reduction in your basic local service charge on your next bill, you should contact the company to see when your bill will be adjusted. (Rule 10)

PAYING FOR YOUR SERVICE

Deposits

If you are ordering telephone service at a location never before served, you may have to provide a line extension charge down payment. Your local telephone company can give you a copy of its line extension policy and rates. You may also contact the PUC to request our publication entitled, "Local Telephone Rate Areas, Line Extensions and Regrades". (Rule 5)

Your local telephone company may, at any time, require new or existing customers to pay a cash deposit to guarantee service, but only as set out in PUC Rule 8. Your telephone company has a policy explaining how it determines a customer's credit status and when it will require a deposit. The company's deposit policy must agree with the following PUC requirements:

- The decision to require a deposit shall be based only on your credit history and shall not be based upon location, income level, source of income, occupation, race, creed, sex, national origin, marital status or number of dependents.
- A deposit is not required if another person, acceptable to the telephone company, will "guarantee" payment of your local service.
- If you are an existing customer, you may be required to pay a deposit if your payment record shows substantial nonpayment for services in any 2 of the last 6 months, or 3 of the last 12 months.
- If you are an existing commercial customer, you may be required to pay a deposit if the telephone company has reason to believe your credit worthiness is in jeopardy. You can request a copy of the information or reason for such a credit judgement.

If you are required to pay a deposit to guarantee service, the telephone company must give you written notice of the deposit amount. The deposit amount may not be more than 3 times the average monthly bill, or twice the average monthly bill for residential customers. The telephone company can include in the deposit amount an estimate of long-distance usage.

You must pay your deposit within 15 days of the notice date. You may pay the total deposit amount or ask for an installment payment agreement. If the deposit is greater than \$75 per line, you will not have to pay more than one-half of the deposit amount before service is provided. The remainder will be due 30 days or more after the date of the installment agreement or the date service is provided, whichever is later.

When you have an installment agreement to pay your deposit, the telephone company will explain in writing its deposit requirement, list the due date for each payment and tell you that service will be disconnected if payment is not received when due. If you do not pay your deposit on time and your service is shut off, you will have to pay the full deposit amount plus any reconnect charges before your service can be restored.

You will get a receipt showing you paid your deposit. If you pay all your monthly telephone bills on time for 12 months after paying the deposit, the original deposit amount plus simple interest will be refunded to you. A PUC-approved interest rate varies each year and can be obtained from your local telephone company.

If you pay a deposit, you still have to pay your telephone bill on time. Your deposit cannot be used to pay a current bill. Your deposit can be applied to an outstanding account balance only after you stop service at your current address.

Paying Your Bill

You must pay for service, a deposit or other regulated charges by the due date on the bill or notice. The due date is generally 10 days after the bill date or 5 days after the bill mailing date, whichever is later. If you pay only part of your bill, the telephone

company will apply your payment toward your basic local service charge, unless you tell the company to do something different. (Rule 9)

You also must tell the company when you are moving from your current address and need to have service shut off or transferred to another address.

SERVICE DISCONNECTION (Rule 9)

If you do not pay your bill on time, your telephone company can shut off your service after following certain procedures. Your local telephone company cannot shut off your service unless it has billed you for the charges and, in most cases, it has sent you a written shut off notice with 10 days to respond.

Your local telephone company may disconnect your local service without written notice for safety reasons, upon a court order, or if service was obtained or is being used fraudulently. Your long-distance company may disconnect your long-distance service after no less than seven days written notice if it has substantial reason to believe you will not pay your bill.

Your local service cannot be shut off on the weekend between noon on the last business day of the week and 8 a.m. the following Monday. It also may not be disconnected between noon on the day before any federal holiday or utility observed holiday and 8 a.m. the day following the holiday.

Your local service can be shut off only for non-payment of the regulated portion of your local telephone bill. Your long-distance service can be shut off only for failure to pay your regulated long-distance charges.

The telephone company must deliver or send by first class mail a written shut off notice.

- This notice must give you at least ten (10) days to respond.
- The notice will include information about the dollar amount that is more than 30 days past due and the date when the past due amount must be paid to avoid a shut off of your local service

The written shut off notice must tell you your basic rights regarding service disconnection. If you get a shut off notice, you can:

- Call the telephone company toll-free, within its service territory, to solve any disagreement about the amount due or the due date.
- Make an informal complaint to the PUC by letter, telephone or in person.
- Make a formal written complaint to the PUC with a motion or request to delay shut off until after the formal complaint hearing. (The PUC may grant your request, perhaps also telling you to either post a deposit or bond for the disputed amount or pay all undisputed charges.)
- Stop a service shut off by:
 - (a) paying, on or before the date the shut off notice expires, the amount more than 30 days past due; or
 - (b) setting up an installment payment plan with the telephone company to pay your past due balance. (A reasonable payment period will be 6 months for residential customers and 3 months for commercial customers. An installment plan is not appropriate unless your past due amount is more than twice your average monthly telephone bill. Past due amounts paid under the payment plan shall first be applied to basic local service); and,
 - (c) paying future bills on time.
- Residential consumers also can stop a shut off by giving the telephone company a "medical certification" from a doctor, or health practitioner acting under a doctor's supervision, stating that disconnecting service will aggravate an existing medical emergency or create a medical emergency for the customer, a family member or other permanent resident of that household.

If a medical certification is given to the company, no shut off of service will occur for 30 days from the date on the certificate. You may get an additional 30 days if you give a second certificate to the company before the first one expires. A medical certificate can delay a disconnect for no more than 60 days during any continuous 12 month period. You should be paying your monthly bill on time during this period. You must contact the telephone company before your medical certificate expires to arrange to pay the balance due.

If your service is disconnected due to non-payment, you may have service turned on again by:

- paying any reconnection and collection charges and deposits as approved by the PUC; and
- entering into an installment payment plan;

If you set up a payment plan to avoid a service disconnect:

- You must make the agreed-upon payments on time.
- If you cannot, you should talk to the telephone company before your payment is due and ask for a change in the payment time or amount.

If you have questions not answered in this information, please contact the PUC at the address or phone numbers listed in this publication.

ARE YOU A CUSTOMER OF A TELEPHONE COMPANY regulated by the Colorado Public Utilities Commission (PUC)? Telephone company customers have certain rights and obligations. Telephone companies also have certain rights and obligations in providing your service. These rights and responsibilities are outlined in the PUC rules regulating the company.

After reading this information, you should know more about:

- The utility company's responsibility to provide service, billings, etc.
- Your responsibility to pay for service.
- Your rights to avoid disconnection of service.

The Colorado Public Utilities Commission (PUC) is a state agency in the Department of Regulatory Agencies. The Public Utilities Commission has rate, safety and service authority for some regulated electric, gas, telephone, transportation and water utility companies.

If you can't solve a service problem with a regulated utility company, you have the right to file an informal or formal complaint with the Commission. Individuals, groups or organizations can also intervene or participate in formal cases before the Commission or testify at public hearings held at various times throughout the state.

For more information about consumer complaint procedures, utility regulation or the Commission in general, write to:

Colorado Public Utilities Commission
1580 Logan Street, OL2
Denver, CO 80203

You can also call the Commission, from 8 a.m. to 5 p.m., Monday through Friday, at:

(303) 894-2070	(Denver Metro Area)
1-800-456-0858	(Toll-free in Colorado)
(303) 894-7880	(V/TDD)

This publication summarizes some of the PUC's telephone company rules. For more detailed information, please ask your telephone company for a copy of its specific rules. PUC rule numbers are in parenthesis () at the end of each statement or section.

ORDERING SERVICE

Your local telephone company must provide safe and efficient service at rates approved by the PUC. The company must give you a copy of its rates when you apply for service or upon your request. (Rule 11) When you order service, your local telephone company explains the charges for "regulated" and "unregulated" services.

"Regulated" charges are for those basic and optional services the PUC has approved to be provided by the company for a specific dollar amount. Basic services are necessary for you to use your telephone. Your phone will operate without the optional services. The charges for such services do not change from month to month unless the PUC approves applications for changes in the rates.

"Unregulated" charges are for those services that, according to current Colorado law, do not require PUC approval of the rates. Most of the charges in this category are for special features some customers want with their phone service.

The company must provide information and assistance to help you choose the lowest cost services available to meet your needs. (Rule 10.1.6)

When you order your local service, you are also asked to choose your long-distance carrier. If the charges for your long-distance calls are listed on your local telephone company bill, your local telephone company is under contract with the long-distance company to provide billing and collection services.

If you are receiving Old Age Pension, Aid to the Blind, Aid to the Needy Disabled or Supplemental Security Income (SSI) benefits, be sure to tell your local telephone company. They can then tell you about a "Link-Up" discount for connecting your service and a "Lifeline" discount on your monthly local service charge.